

Testimony
Finance, Revenue and Bonding Committee
March 15, 2022

In support of:

SB 380 An Act Concerning a Study of State Tax Policies

SB 381 An Act Concerning a Study of State Revenue Collections

SB 382 An Act Concerning a Connecticut New Market Tax Credit Program

SB 383 An Act Increasing the Applicable Percentage of the Earned Income Tax Credit

HB 5403 An Act Establishing a Child Tax Credit against the Personal Income Tax

HB 5406 An Act Concerning a Study of State Revenue Policies

SB 5407 An Act Concerning Study of State Fiscal Policies

Joelle Fishman, Chair, Connecticut Communist Party USA

Sen Fonfara, Rep Scanlon, and members of the Finance, Revenue and Bonding Committee,

My name is Joelle Fishman, I live in New Haven, and I am submitting testimony on behalf of the Connecticut Communist Party and with the Recovery for All coalition in favor of the various bills before you that uplift the needs of children and correct our upside down tax system. (SB 380, SB 381, SB 382, SB 383, HB 5403, HB 5406, SB 5407).

The COVID – 19 pandemic has exacerbated long term and extreme inequalities of wealth and race in our state. This is not a distinction we should be proud of, and one that we can and must fix.

Twenty five years ago working with George Springer, then president of AFT Connecticut, and Luz Santana, we in the Coalition to End Child Poverty in Connecticut showed that the result of regressive tax policies is to disallow our children and families the opportunity to flourish. It threatens our future.

This injustice not only persists today, but in the midst of the pandemic it has become more severe.

Connecticut Voices for Children reports “in January, 65% of families with children struggled to pay their usual household expenses.” In other words, low and middle income families across our state are suffering. They are having trouble affording necessities like food, mortgage, rent, transportation, child care and health care. Door knocking in my neighborhood last week one young mother of two told how worried she is working several jobs just to keep her head above water. She is not alone.

How shocking then, to have it affirmed by the Tax Incidence Report issued last month that these low and middle income families who are suffering economically are paying a much higher percentage of their income in taxes (23.5%) than the 13 billionaires in Connecticut whose income soared by \$13.7 billion and are only paying 1.7% of their income in taxes.

This is a clarion call to action if our state is to be economically sustainable.

As a resident of New Haven, I know full well that the entire city is stronger when investments are made that raise up low and middle income neighborhoods and communities of color to reverse decades of discrimination.

We can emerge from this pandemic stronger together by making bold investments starting with the bills before you today enacting the Connecticut Child Tax Credit and increasing the Earned Income Tax Credit which will greatly reduce child poverty.

But that is only the tip of the iceberg. The unjust tax system has to be upended and set right.

The opportunity and necessity to raise up all of Connecticut is before us. A Recovery for All goes far beyond this year. It is truly an investment in the future of essential workers, our children and our state's economy.

As a first step to address the wealth and racial inequities in our state, I urge you to pass these proposed bills before you today toward creating a fair tax system in Connecticut: SB 380, SB 381, SB 382, SB 383, HB 5403, HB 5406, SB 5407.